IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ITR No.152 of 1998
Date of decision:15.11.2006

Commissioner of Income Tax, Patiala

....Petitioner

versus

M/s. Rangila Ram & Co., Rampur, District Shimla (HP)

....Respondent

CORAM: HON'BLE MR. JUSTICE ADARSH KUMAR GOEL
HON'BLE MR. JUSTICE RAJESH BINDAL

Present: Dr. N.L.Sharda, Advocate, for the revenue.

JUDGMENT:

Following question of law has been referred for the opinion of this Court by the Income Tax Appellate Tribunal, Chandigarh Bench, Chandigarh (for short, 'the Tribunal), arising out of its order dated 8.4.1997 in ITA No.33/Chandi/93, for the assessment year 1981-82:-

> "Whether, on the facts and in the circumstances of the case, the ITAT was right in law in upholding the DCIT (A)'s orders granting registration to the firm under section 185(1)(b) of the IT Act, 1961?"

The assessee got a liquor vend in auction in the name of a firm comprising of some partners but subsequently, the assessee firm included other partners also at the time of execution of contract, though, the newly included partners were different from the partners of the firm in whose name the contract was auctioned. The Assessing Officer refused permission for registration of firm on that ground. The appellate authority, however, set aside the said view and allowed the registration, which view was upheld

by the Tribunal.

We have heard learned counsel for the revenue and perused the findings recorded.

We find that an identical issue has been gone into by Hon'ble the Supreme Court in the case of the assessee in **CIT v. Rangila Ram and others,** (2002) 254 ITR 230 and has been answered against the assessee and in favour of the revenue. For the reasons stated therein, the question is answered in favour of the revenue and against the assessee.

Reference is disposed of accordingly.

(Adarsh Kumar Goel)
Judge

November 15, 2006 (Rajesh Bindal)
'gs' Judge